

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Implementation of the)	
Subscriber Changes Provisions)	
of the Telecommunications Act)	
of 1996)	CC Docket No. 94-129
)	
Policies and Rule Concerning)	
Unauthorized Changes of Consumers')	
Long Distance Carriers)	
)	
AT&T Request for Waiver)	
_____)	

PETITION FOR WAIVER

AT&T Corp. ("AT&T") hereby requests a limited waiver of the authorization and verification requirements of the Commission's rules (47 CFR §§64.1100-64.1190) and Carrier Change Orders¹ to the extent necessary to enable AT&T to transfer the residential and business subscribers of certain subsidiaries of ACC Holdings, Inc. (collectively, "ACC") to AT&T's customer base without first obtaining such subscriber's authorization and verification. For the reasons explained below, AT&T fully satisfies the good-cause standard established by WAIT Radio v. FCC, 418 F.2d 1153, 1159 (D.C.Cir. 1969) for securing a waiver.

¹ Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996 and Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, Further Notice of Proposed Rule Making and Memorandum Opinion and Order on Reconsideration, 12 FCC Rcd. 10674 (1997).

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BACKGROUND

AT&T currently provides local and long distance, wireless, Internet and other services to residential and business customers throughout the United States. ACC, through various operating subsidiaries,² is authorized to provide intrastate and interstate service in the contiguous 48 states. Certain ACC subsidiaries hold Section 214 authority and file state tariffs where required.

On July 23, 1998, AT&T completed its merger with Teleport Communications Group ("TCG"). TCG thus became a wholly owned AT&T subsidiary. Three months earlier, TCG acquired ACC in a separate corporate transaction. As a result, ACC became a wholly owned TCG subsidiary. The ACC-related entities are therefore AT&T corporate affiliates.

After the AT&T-TCG merger, for reasons of economy and scale, AT&T began incorporating ACC services into AT&T's offers. Sales teams, support personnel and customer-care channels have been virtually absorbed into AT&T. ACC's legacy network will not be integrated, however, because certain legacy systems are not Year-2000 ("Y2K") compliant. This Y2K issue is the basis of AT&T's petition.

² The relevant ACC operating subsidiaries include ACC Telecom, Locate, ACC Long Distance Corp., ACC Long Distance of Connecticut Corp., ACC Long Distance of Georgia Corp., ACC Long Distance of Illinois Corp., ACC Long Distance of Massachusetts Corp., ACC Long Distance of Maine Corp., ACC Long Distance of Michigan Corp., ACC National Long Distance Corp., ACC Long Distance of New Hampshire Corp., ACC Long Distance of Ohio Corp., ACC Long Distance of Pennsylvania Corp., ACC Long Distance of Rhode Island Corp., and ACC Long Distance of Vermont Corp.

AT&T seeks to migrate approximately 1,350 current ACC business customers and 6000 current ACC residential customers to AT&T in order to avoid any Y2K-related service disruption at year's end. AT&T intends to implement a multi-step notification plan to inform ACC's subscribers of AT&T's assumption of the service and to affirmatively solicit their consent.

Prior to any migration, AT&T will send two letters to these subscribers informing them, among other things, that: (1) AT&T intends to close ACC's legacy network because certain components are not Y2K compliant; (2) AT&T will charge these subscribers for interstate, intrastate and international calls at rates which are either the same or lower than those charged by ACC³; (3) subscribers who fail to respond by choosing a new preferred carrier will be migrated to AT&T; (4) if they wish, subscribers may contact their LEC to change their service to a carrier other than AT&T; (5) AT&T has established an 800 number customers can call with any questions; and (6) if a LEC assesses PIC charges in connection with the migration to AT&T, AT&T will reimburse those charges.

³ Approximately 300 residential customers will be offered long distance certificates as part of the AT&T calling plan to ensure that these customers receive rates which are effectively the same or lower than those currently charged by ACC.

Additionally, approximately 850 residential wireless customers may not, after a migration to AT&T, enjoy rates which are effectively the same or lower than those currently charged by ACC. AT&T intends to inform those customers accordingly and to disclose the offerings of another carrier.

AT&T prefers that each subscriber affirmatively select a new preferred carrier, whether AT&T or one of AT&T's competitors. This petition addresses those subscribers who neither respond to AT&T's inquiries nor migrate to another service provider.

AT&T has already begun this process with ACC's residential subscribers. Copies of preliminary letters sent to current ACC residential subscribers are attached to this application.

AT&T seeks to migrate the residential as soon as possible and to migrate the business customers as soon as AT&T internal systems allow, with the migration completed by October 15, 1999. After the migration, AT&T intends to send those ACC customers who remain with AT&T a "welcome package" notifying them once more of the change.

ARGUMENT

Under the Commission's rules, 47 CFR §§ 64.1000-64.1190, carriers are required to verify all preferred carrier change orders before such changes can be executed. A waiver can be granted, however, if special circumstances exist and approval will serve the public interest. WAIT Radio, 418 F.2d at 1159. AT&T requests a waiver because requiring that AT&T obtain verification from each of these 7,350 residential and business subscribers before it can begin to provide service to these customers would prevent a seamless transfer of such customers and disrupt their ability to place long distance, international and intraLATA

calls. Considering the size of the ACC customer base, AT&T is unlikely to be able to affirmatively contact, solicit and obtain appropriate verification from each subscriber before the end of the year. Certain of ACC's legacy systems may fail on January 1, 2000. Absent a waiver, these subscribers risk temporarily losing service or being charged substantially higher rates than those which AT&T will apply.

As mentioned, all of the current ACC subscribers will receive prior notification of the change in service providers and will be informed that their carrier may be changed by contacting their LEC. AT&T also intends to send welcoming letters to those customers migrated to AT&T. AT&T will also address and attempt to resolve all customer inquiries⁴ regarding the impact of the migration on their service and the change in providers.⁵ AT&T submits that these steps will ensure that the rights of these subscribers are adequately protected.

Finally, the circumstances justifying this waiver request are similar to those the Commission found sufficient in other petitions to justify a waiver of its authorization and verification rules.⁶

⁴ AT&T already provides customer-care support to these customers for billing inquiries and other related issues.

⁵ To the best of AT&T's knowledge upon inquiry, there are no customer complaints against ACC pending at the Commission. If any such complaints exist, however, AT&T agrees to cooperate fully with the Commission to resolve them.

⁶ See Implementation of the Subscriber Changes Provisions of the Telecommunications Act of 1996; Sprint Request for a Waiver, Order (DA 99-1112) released June 17, 1999 (waiver granted to

Accordingly, AT&T respectfully requests that the Commission waive its authorization and verification rules for the reasons set forth above.

Respectfully submitted,

AT&T CORP.

By



Mark C. Rosenblum
Daniel Stark
Robert McKee
Meric Craig Bloch
Robert Middleton

Its Attorneys

295 North Maple Avenue
Basking Ridge, NJ 07920
(908) 221-6716

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allow transfer of customer base after dissolution of joint venture); *Implementation of the Subscriber Changes Provisions of the Telecommunications Act of 1996; EqualNet Corporation Request for a Waiver, Order (DA 99-506) released March 15, 1999 (waiver granted to allow transfer of customer base after bankruptcy sale); Implementation of the Subscriber Changes Provisions of the Telecommunications Act of 1996; CoreComm Limited Request for a Waiver, Order (DA 99-893) released May 13, 1999 (waiver granted to allow transfer of customer base after sale of corporate assets); and Implementation of the Subscriber Changes Provisions of the Telecommunications Act of 1996; International Exchange Communications, Inc. Request for a Waiver, Order (DA 99-894) released May 13, 1999 (waiver granted to allow transfer of customer base after purchase of subscriber accounts).*